

State of New Mexico
Energy, Minerals and Natural Resources Department.

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



Administrative Order CTB-666

January 16, 2013

Chevron Midcontinent, L.P.
1400 Smith Street
Houston, TX 77002

Attention: Greg Minnery:

Chevron Midcontinent, L.P. ("Chevron") is hereby authorized to surface commingle oil and gas production from Culebra Bluff; Bone Spring, South Pool (**15011**), and from the following State of New Mexico leases and wells:

Softail AV 26 Well No. 2H (**API No. 30-015-40245**), Unit N, Sect. 26, T-23-S, R-28-E.
Pardue Farms 26 Well No. 1 (**API No. 30-015-22627**), Unit E, Sect 26, T-23-S, R-28 E.

All in NMPM, Eddy County, New Mexico.

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Central Tank Battery (CTB), located at Pardue Farms 26 Well No. 1, in Section 26 Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico.

The oil and gas production from each well shall be continuously measured with allocation meters before commingling with production from other wells. The allocation meters shall be calibrated monthly.

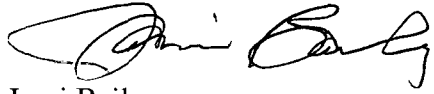
NOTE: This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations. It is the responsibility of the producer to notify the transporter of this commingling authority.

FURTHER: The operator shall notify the Artesia District office of the Division prior to implementation of the commingling operations.

This approval is subject to like approval from the New Mexico State Land Office (SLO) before commencing the commingling operations.

January 16, 2013
Page 2

DONE at Santa Fe, New Mexico, on January 16, 2013.

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with the first name "Jami" and last name "Bailey" clearly distinguishable.

Jami Bailey
Division Director

JB/re

cc: Oil Conservation Division – Artesia
State Land Office – Oil, Gas, and Minerals Division